

Figure 1

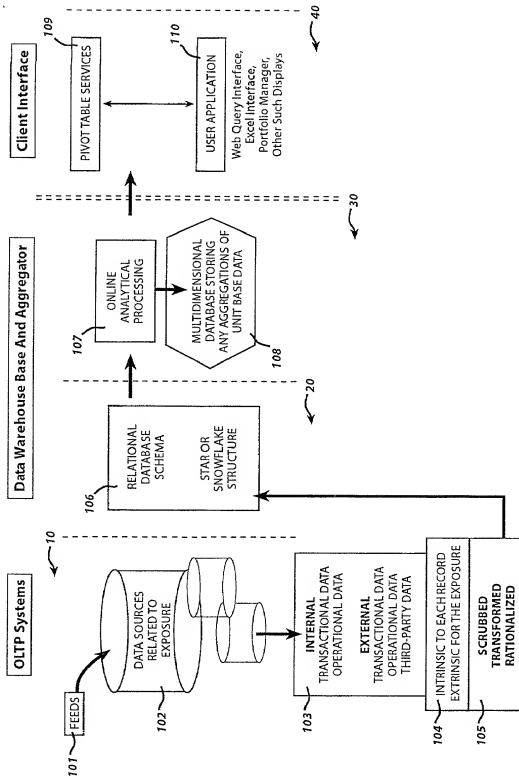


Figure 2a

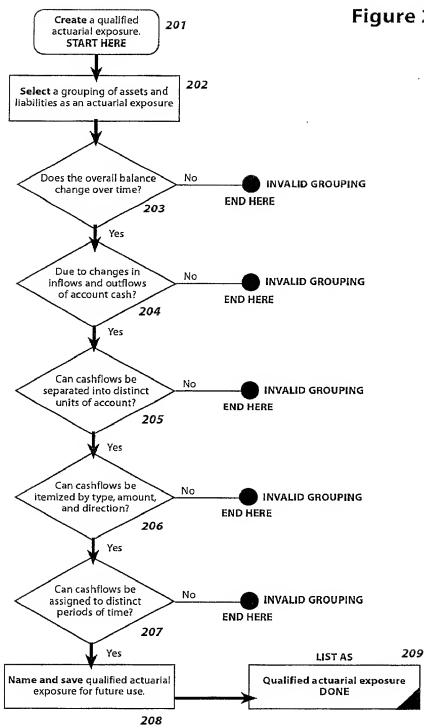


Figure 3a

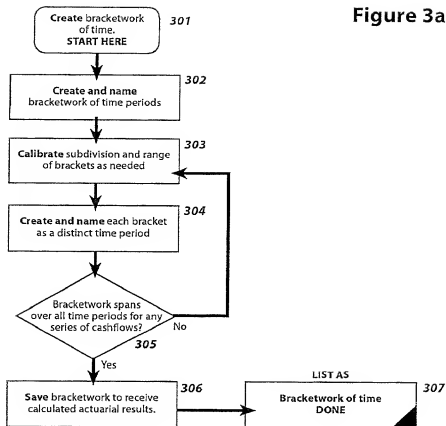


Figure 3b

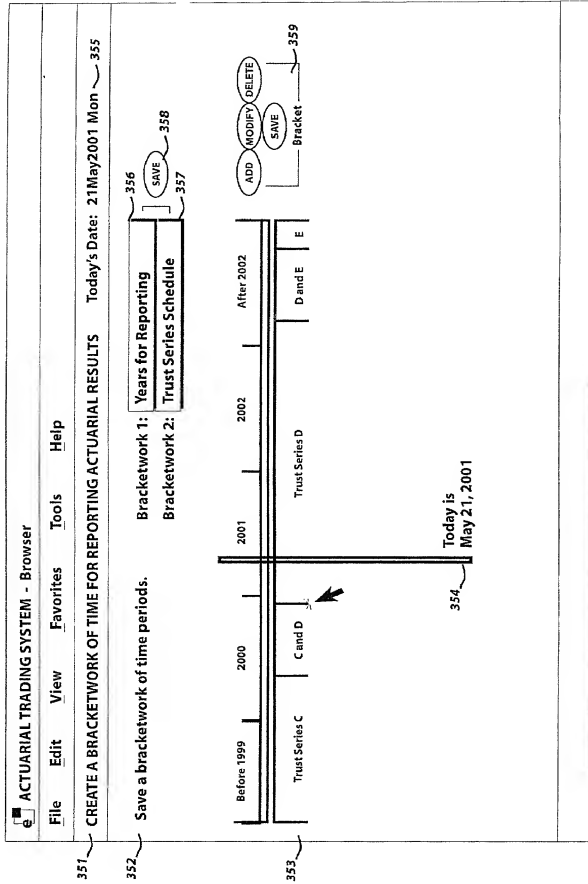


Figure 4a

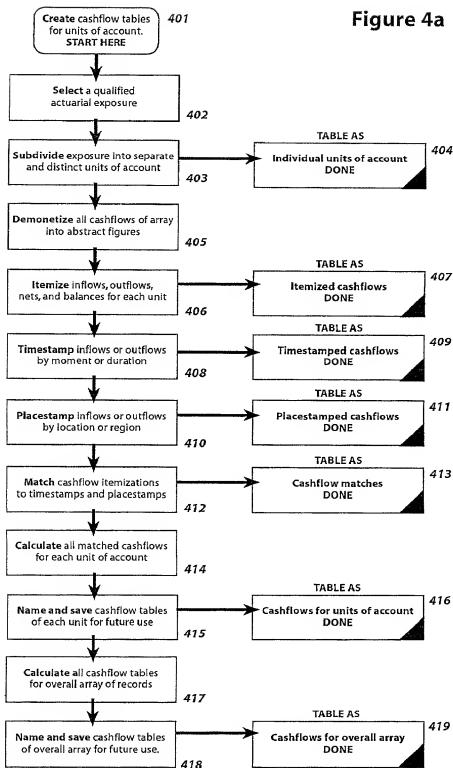


Figure 4b

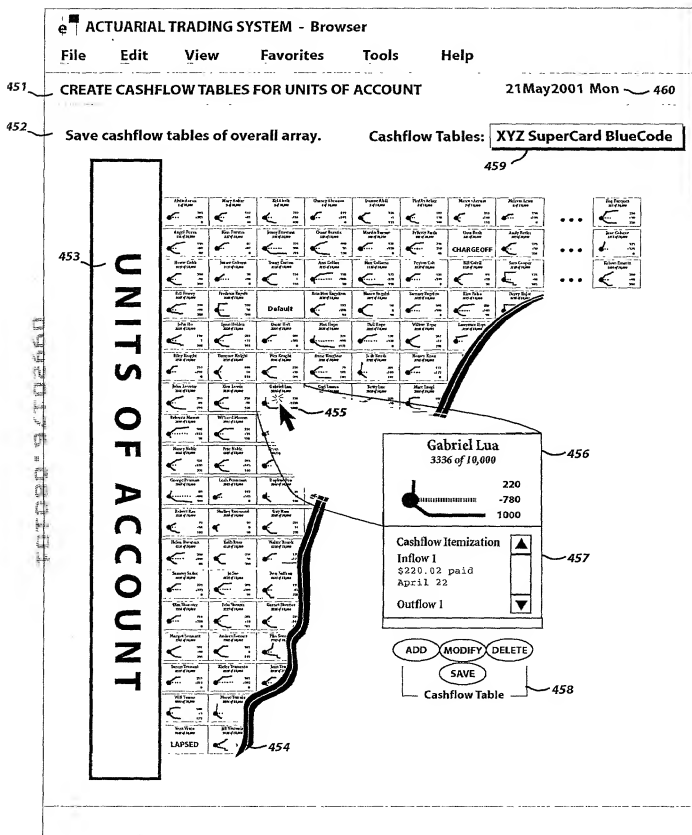
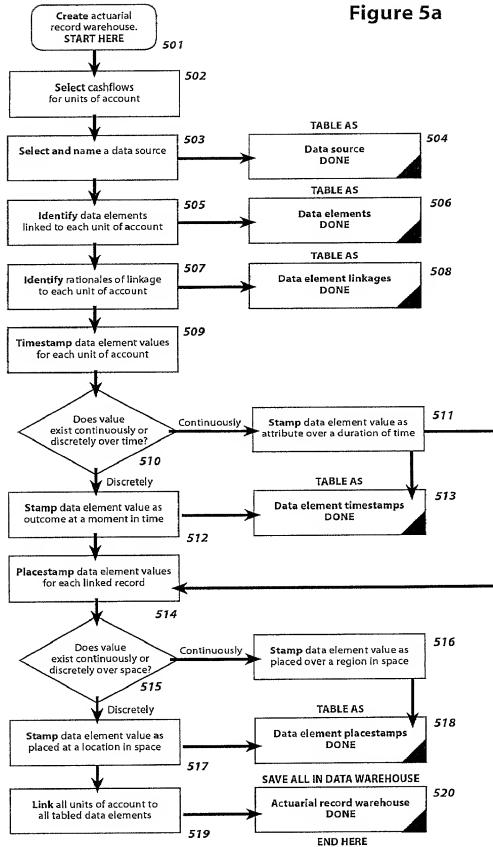


Figure 5a



0920176 00101

Figure 5b

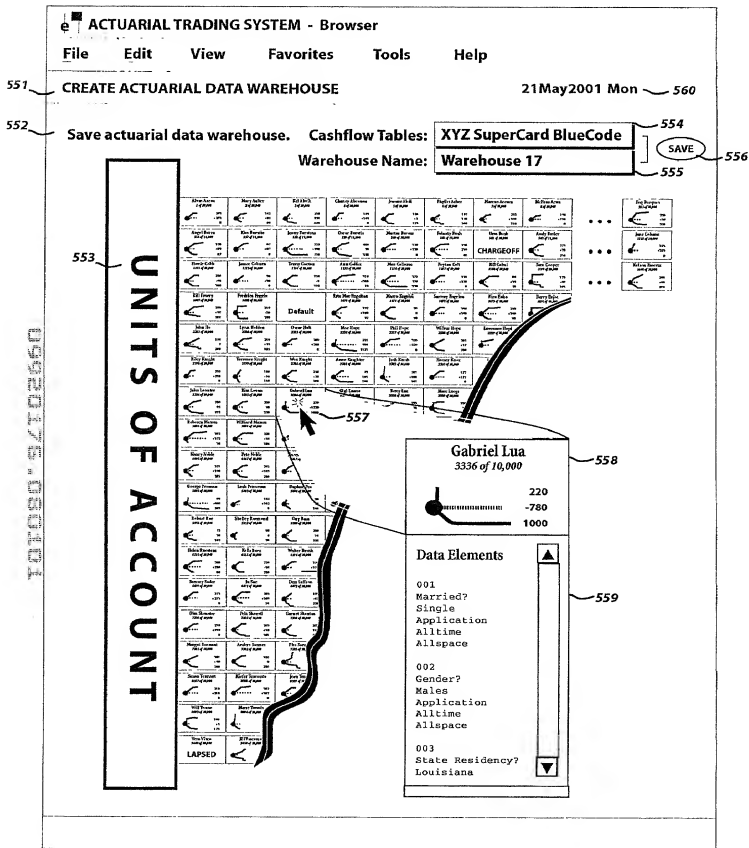


Figure 6a

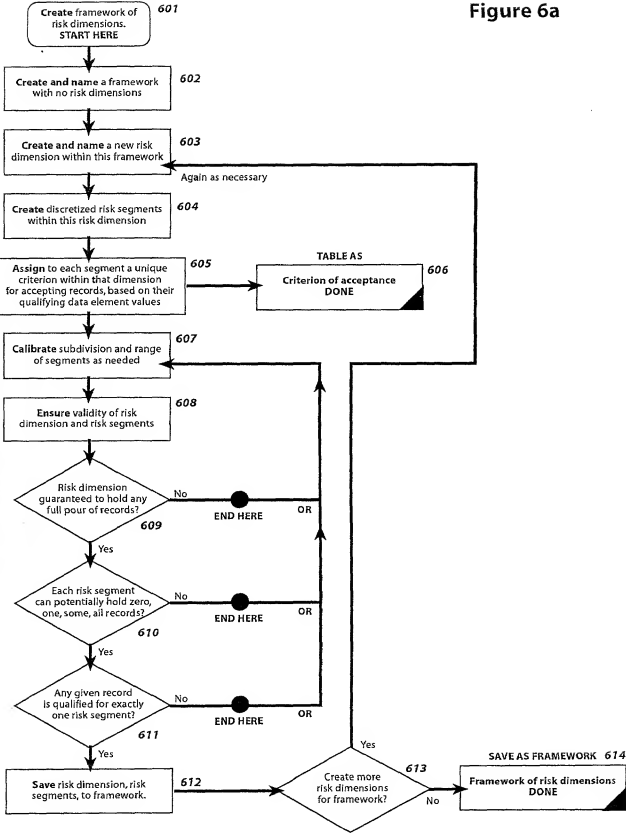


Figure 6b

ACTUARIAL TRADING SYSTEM - Browser

File Edit View Favorites Tools Help

651 CREATE FRAMEWORK OF RISK DIMENSIONS 21May2001 Mon 663

652 Save framework of risk dimensions. Risk Segment: <100k 659

Risk Dimension: Income Level 660

Framework Name: Framework For 5 Risks 661

653

654

662

ADD MODIFY DELETE

SAVE

Framework

State of Residency

Age by Decade

Gender

Marital Status

656

655 Income Level

658

AL AK AZ AR CA CO CT DE DC FL GA HI ID IL IN IA KS KY LA MEMDMA

MI MN MS MO MT NE NV NH NJ NM NY NC ND OH OK OR PA RI SC SD TN TX

UT VT VA VI WAWV WI WY Outside US

20s 30s 40s 50s 60s +

Male Female

Single Married Divorced Widowed

657

<100k >100k

Figure 7a

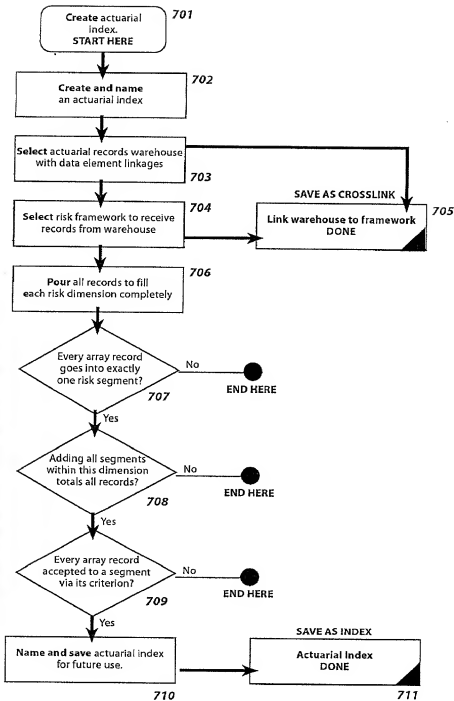


Figure 7b

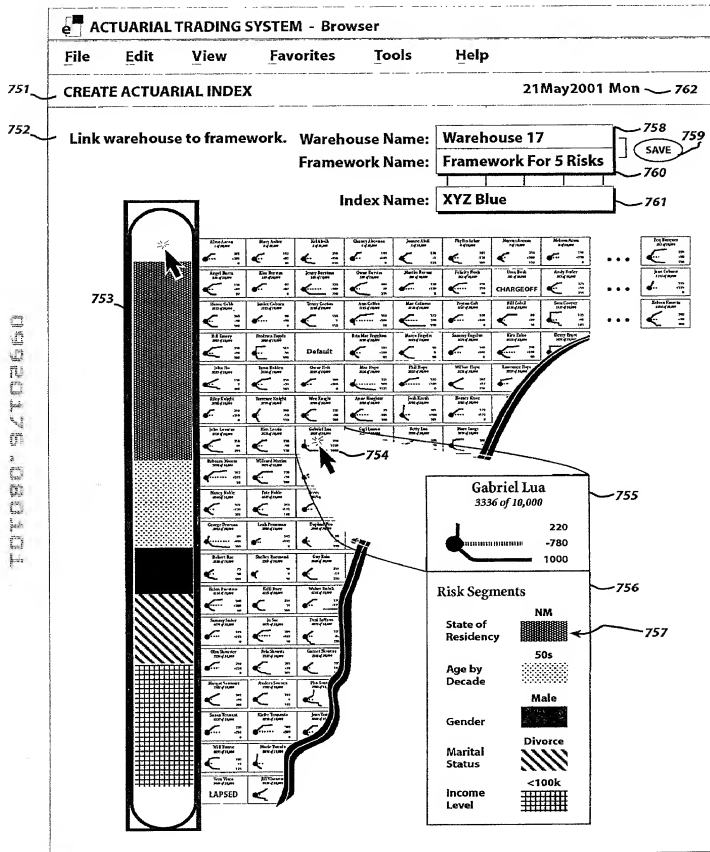


Figure 8a

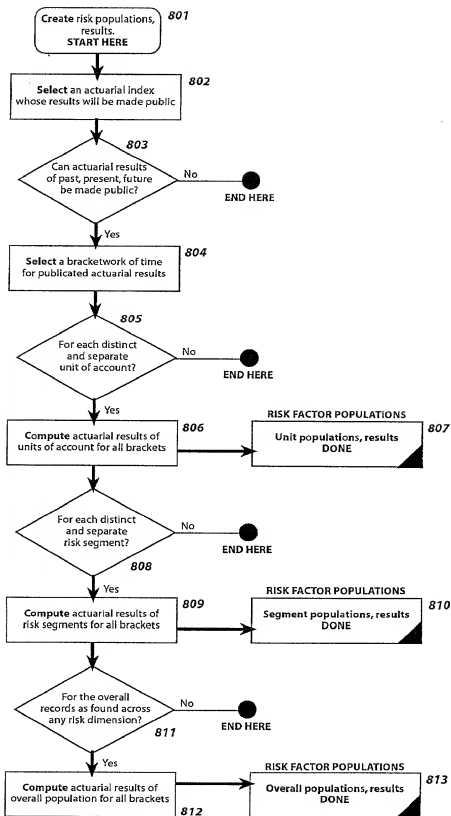


Figure 8b

ACTUARIAL TRADING SYSTEM - Browser

File Edit View Favorites Tools Help

851 **CREATE PUBLISHED ACTUARIAL INDEX** 21 May 2001 Mon 864

852 Publish actuarial results of risk segments. Risk Segment: **New Mexico** 860
 Risk Dimension: **State of Residence** 861
 Bracket for Reporting: **April 2001** 862

Published Actuarial Index: **XYZ Blue** 863

853

854

State of Residency

AL AK AZ AR CA CO CT DE DC FL GA HI IL IN IA KS KY LA MEM DMA
 MI MN MS MO MT NE NV NH NJ NM NY NC ND OH OK OR PA RI SC SD TN TX
 UT VT VA VI WAWV WI WY **side US**

855

856

857

859

NM

Aggregate

Inflows 7,582
 Net Amount +2,289
 Outflows 7,293

67 units of account 858

860

Figure 9a

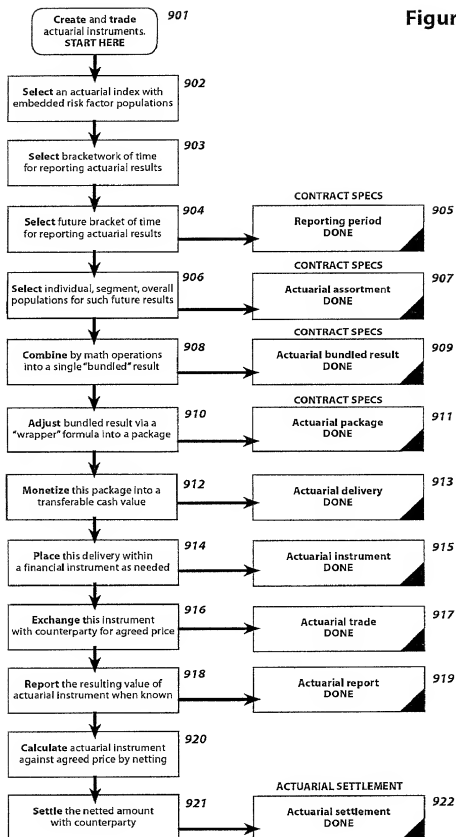


Figure 9b

ACTUARIAL TRADING SYSTEM - Browser

File Edit View Favorites Tools Help

CREATE AND TRADE ACTUARIAL INSTRUMENTS 950 Today's Date: 03Aug2001 Fri 951

Settle the netted amount in cash with counterparty. 952 Trade ID: Trade #8372 Trade Name: Forward #3 954

955 Trade #8372
Value: 7,000,000 USD
Value Date: 03Aug2001 Fri

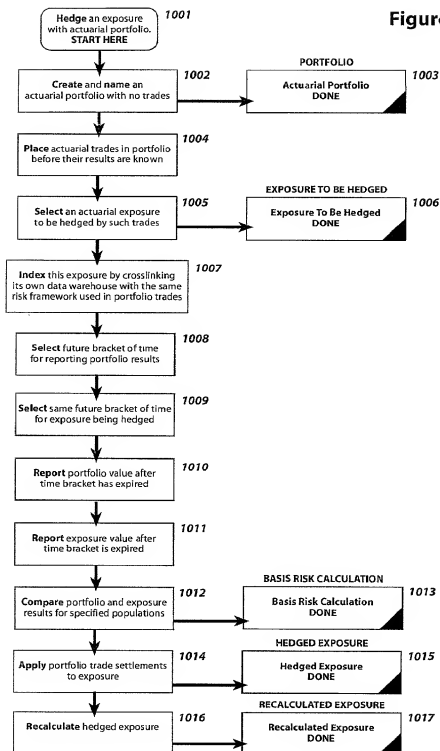
956 Trade Date: May 5 2001
Counterparty: ABC Bank
957
958 Value: 7,000,000.00 USD
Value Date: 03Aug2001 Fri After Settlement 959

960
ADD MODIFY DELETE
SAVE Leg
Settlement Terms
Settlement Date: Aug 1 2001
Settlement: \$7,000,000
Already Settled?: Yes
Paid to: Us
Paid from: ABC Bank
961 Calculate Value

962 Leg #1
Value: (89,000,000) USD
Value Date: 03Aug2001 Fri
We Payout: Forward Price
Direction of Delivery: We Payout
963 Forward Price of
Multiplier: 1000x
964

965 Agreed Upfront Price: 89,000
Total Amount: (89,000,000) 966

967 Leg #2
Value: 96,000,000 USD
Value Date: 03Aug2001 Fri
We Receive: Actuarial Delivery
Direction of Delivery: We Receive
968
Actuarial Delivery of
Multiplier: 1000x
969
Reporting Period: Jul 2001
970
Level of Aggregation: Segment
971
Segment Risk Population
Risk Segment: Male
972
Risk Dimension: Gender
973
Public Actuarial Index: XYZ Blue
974
Number of Units: 4682 Overall Total: 975
47.07% 9947
976
977 Result Type
Inflows Minus Outflows
978
Report Date: Aug 1 2001
979
Segment Result: 96,000
980
Actuarial Delivery: 96,000,000
981
982
983
984
One of Assortment: No
Combined into Bundle: No
Wrapped into Package: Yes



APPLY PORTFOLIO TRADE SETTLEMENTS TO EXPOSURE 1050

Today's Date: 03-Aug-2001 Fri 1051

1052

Portfolio Name: **Forwards Plus**
Created By: **John Major**

ADD NAME MODIFY DELETE SAVE
Trade 1053

Public Actuarial Index: **XYZ Blue**
All Trades Settled: **Yes**

Trade Name Trade ID Trade Direction of Delivery Multiplier Result Type Risk Segment From Risk Dimension
1055 1057 1058 1060 1061

| | | | | | | |
|---------------------|-------------|------------------------|---------|--------------------|--------------------|--------------|
| Forward #3 | Trade #8372 | We Receive Delivery of | 1000x | Inflows - Outflows | Male | Gender |
| Joe's Forward Trade | Trade #8373 | We Pay Delivery of | 2000x | Inflows - Outflows | 21, 22, 23 | Age |
| Deal with ABC Bank | Trade #8374 | We Pay Delivery of | 10,000x | Inflows - Outflows | 1-2 Years Ago | Bankruptcy |
| Tweak to Portfolio | Trade #8375 | We Receive Delivery of | 500x | Inflows - Outflows | \$150k Salary Plus | Income Level |

| | | | | | | |
|----------------------|------------------|----------------------|-----------------|-------------------|---------------------|------------------------|
| Trade Name Continued | Reporting Period | Upfront Agreed Price | Settlement Date | Value of Delivery | Settlement as Hedge | Absolute Value Paid to |
| Forward #3 | Jul 2001 | (89,000,000) | August 01 2001 | 96,000,000 | 7,000,000 | Us from ABC Bank |
| Joe's Forward Trade | Jul 2001 | 37,450,000 | August 01 2001 | (39,000,000) | (1,579,000) | MIND Credit from Us |
| Deal with ABC Bank | Jul 2001 | (25,293,000) | August 01 2001 | 27,000,000 | 1,707,000 | Us from ABC Bank |
| Tweak to Portfolio | Jul 2001 | (8,000,000) | August 01 2001 | 8,390,000 | 390,000 | Us from ABC Bank |

| | | | | | |
|----------------------|-----------------|---------------|---------------------|-----------------------|--------------------|
| Trade Name Continued | Hedged Exposure | Analog Result | Specific Basis Risk | Specific Basis Risk % | Basis Risk + Hedge |
| Forward #3 | Home Accounts | 93,000,000 | 3,000,000 | +3.23% | 11,000,000 |
| Joe's Forward Trade | Home Accounts | (39,000,000) | 0 | 0.00% | (1,579,000) |
| Deal with ABC Bank | Home Accounts | 29,000,000 | (2,000,000) | -7.41% | (293,000) |
| Tweak to Portfolio | Home Accounts | 7,190,000 | 1,200,000 | +16.78% | 1,590,000 |

Forward Prices: \$ (84,843,000) 1072

Public Index Results: 92,390,000 1073

Total of Settlements as Hedge: 7,518,000 1074

Basis Risk: 2,200,000 1075

+2.44%

Hedged Exposure Name: Home Accounts 1076

Same Indexing?: Yes 1077

..... Analog Results: 90,190,000 1078

Total of Basis Risk + Hedge: 10,718,000 1079

1 From a published actuarial index...

2

3 Placed into a portfolio of settled or unsettled trades...

4

5 As these trades are settled, their "netted" amounts are felt as impacts.

6 And then applied to an analog index for hedging purposes.

7 Results are monetized and transacted and traded...

8

9

10

11

12

13

14

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